

**For More Information Contact:**

Lana Sonnier, Louisiana Economic Development, 225.342.5406, [sonnier@la.gov](mailto:sonnier@la.gov)

**Louisiana Launches Hurricane Bridge Loan Program**

***Governor Blanco announces \$10 million to fund interest-free business loans***

**October 17, 2005 – Baton Rouge, LA** – Governor Kathleen Babineaux Blanco and officials from Louisiana Economic Development (LED) and the Louisiana Public Facilities Authority (LPFA) today launched the Louisiana Bridge Loan Program. The program will provide “gap funding” for businesses waiting for government assistance, insurance funds or other programs that are expected to provide a source for repayment of these loans.

The program was created and will be administered by LED through a number of Louisiana-based financial institutions. Under Governor Blanco’s direction, the state’s \$10 million Rapid Response Fund has been reallocated to act as seed funding for the initial round of loans. The state has also requested an additional \$200 million from Congress to continue the bridge loan program.

“We are moving quickly to help businesses in critical need of capital. This will help businesses that are already approved for funds, but are desperately waiting for the red tape to clear and the funds to be transferred into their accounts,” said Governor Blanco. “By working with the private sector we have crafted a plan that will put cash into the hands of business owners who need it. This program is a valuable first step and a joint public-private sector model for future aid programs.”

“It is important that we provide leadership and direction at a state level by immediately making assistance available to business owners trying to meet payroll, repair equipment or find other ways to restart their operations,” said LED Secretary Michael J. Olivier. “By partnering with the private sector we can more quickly and efficiently put Louisiana dollars to work for Louisiana business owners.”

Louisiana Bridge Loans are interest-free for up to 180 days. Through private sector financial institutions, funds will be available within three to five days of application by eligible businesses. Eligible businesses are those located in the regions

directly affected by hurricanes Katrina and/or Rita, have been in business for at least one year and maintain an acceptable credit rating.

“Every day, every hour that we do not have the funds to reach out and give employees a reason to return they are making new lives somewhere else,” said New Orleans-based Hubig’s Pies owner Drew Ramsey. “We need the funds now to get them and us back to work.”

“Everyone is talking about the federal assistance coming. But I cannot pay bills with that and haven’t had revenue since Katrina,” said Lawrence Morrow, owner of *Gumbeaux Magazine* of Lake Charles. “This bridge loan is the life line we need to get back up-and-running now.”

The two page application and program information is available at [LEDforward.louisiana.gov](http://LEDforward.louisiana.gov), [LPFA.com](http://LPFA.com) and at participating financial institutions. Applications should be completed and submitted in-person at one of the 15 participating financial institutions.

“Our partner financial institutions are providing a critical service to businesses within their own communities,” said James W. Parks, Louisiana Public Facilities Authority President and CEO. “Every bank has made the commitment to review and approve eligible businesses within five days so these funds can immediately put Louisiana businesses back to work. It is vital that we make these loans available.”

For more information, visit [LEDforward.louisiana.gov](http://LEDforward.louisiana.gov) or [lpfa.com](http://lpfa.com).

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